

SELECTION STATEMENT

DE-RP05-00OR22750

FOR A CONTRACTOR TO MANAGE AND DIRECT PROGRAMS OF THE OAK RIDGE INSTITUTE FOR SCIENCE AND EDUCATION

I have been designated as the Source Selection Official (SSO) for the purpose of selecting a contractor to manage and direct programs of the Oak Ridge Institute for Science and Education (ORISE). The Source Evaluation Board (SEB) appointed to evaluate proposals submitted for this contract competition briefed me on their consensus evaluation and submitted their final report to me on April 21, 2000. Based upon consideration of the SEB's recommendation and my review and judgment, my selection decision is documented in this selection statement.

DESCRIPTION OF PROCUREMENT

The purpose of this solicitation is to obtain a qualified firm to manage and direct programs of ORISE under a performance-based, cost-plus-award fee type contract. ORISE is a multi-program facility which supports the Department of Energy (DOE) mission in the areas of science education, emergency response, and environmental and health studies. Specific tasks will be assigned in accordance with DOE direction. In addition to providing technical and program management services to support a broad spectrum of programmatic activities, the firm must maintain certain research, training, educational, and support facilities.

The awarded contract will consist of a 60-day transition period, a 3-year base period of performance, and a 2-year option period. Total contract value is approximately \$425 million.

SUBMISSION OF PROPOSALS

An announcement of DOE's intention to release the Request for Proposals (RFP) was published in the Commerce Business Daily on October 19, 1999. The RFP was released on November 23, 1999, via the DOE/ORO Procurement Home Page. The due date for receipt of proposals was originally scheduled for January 4, 2000, but was changed to February 1, 2000, as two prospective offerors requested additional time. Amendments to the RFP were issued on December 9, 1999; December 15, 1999; January 11, 2000; January 19, 2000; March 27, 2000, and March 28, 2000.

To give potential bidders an opportunity to learn more about the DOE programs in Oak Ridge, and more specifically, to learn more about the subject solicitation, a preproposal conference and site tour were held on December 7, 1999. Twenty individuals representing 13 potential bidders

attended the preproposal conference, and 9 individuals representing 8 potential bidders participated in the site tour.

Only one offer was received on the due date of February 1, 2000. The sole offeror is Oak Ridge Associated Universities, Inc. (incumbent contractor).

EVALUATION PROCEDURE

The RFP contained the following two qualification criteria:

1. Certification of Offeror's Intent to Implement Right of First Refusal. Each offeror (including joint venture member(s) and teaming partner(s)) must certify that it shall comply with the requirements of the Right of First Refusal section of the clause entitled "Workforce Transition and Management" located in Section H of the RFP (Attachment M-1 of the RFP).
2. Certification of Offeror's Intent to Provide Equivalent Base Pay and Benefits. Each Offeror (including any joint venture member and teaming partner(s)) must certify that it shall provide equivalent base pay and equivalent employee benefits in aggregate, including credit for company service for all service-based benefits, to the transitioned workforce it employs during the 3-year base period under the contract. In addition, it shall provide an independent actuary's certification that the pay and benefits package is equivalent in aggregate to the incumbent's employee benefit package. (Attachment M-2 of the RFP).

The offeror complied with the qualification criteria, and therefore, the proposal was evaluated in accordance with the evaluation criteria.

Technical aspects of the offer (proposal), written information, and oral presentation/question and answer session were evaluated against the evaluation criteria set forth in the solicitation and point scored on the basis that 1000 points represented a perfect score. Each SEB technical evaluator independently reviewed and analyzed the written information against subcriterion 1b, subcriterion 2a, and criterion 3 and tentatively identified strengths and weaknesses of the offeror's ability to perform the statement of work. The SEB then met and discussed in detail the strengths and weaknesses in support of subcriterion 1b, subcriterion 2a, and criterion 3 and developed consensus scores for the written information in support of these criteria/subcriteria. Following the oral presentation and the question and answer session, the SEB met and developed a consensus technical evaluation and consensus score for criteria 1, 2 (including all subcriteria) and 3. The technical merit of the proposal was evaluated in accordance with the following criteria:

1. Program and Management Approach (550 points)

Subcriterion 1a: Understanding of Work and Management Approach (250 points). The proposal will be evaluated on the degree the offeror demonstrates its understanding of the various programs conducted by ORISE as described in the statement of work and its understanding of the operation of ORISE as an integrated facility. In addition, the proposal will be evaluated upon the offeror's management approach and plans for providing these services in a quality and timely manner, which includes proposed, specific performance objectives to support the performance expectations contained in Section H, clause entitled "Performance Expectations."

Subcriterion 1b: Operations Support (150 points). The offeror will be evaluated upon its efficient and innovative proposed use of facilities and property (both Federal and contractor provided) and the effectiveness of its approach to providing ORISE's support functions. The offeror will be evaluated upon its planned use of small disadvantaged business concerns (SDBs), historically black colleges and universities (HBCUs), and other minority educational institutions (MEIs), as identified in the offeror's Small Business Subcontracting Plan, and the extent of participation of SDBs, HBCUs, and MEIs in terms of the value of the total acquisition.

Subcriterion 1c: Environment, Safety, and Health (70 points). The proposal will be evaluated on the offeror's approach to ensure ES&H is included as part of the ORISE culture and operations, including capabilities in implementation of an Integrated Safety Management System at ORISE such that all workers, visitors, the public, subcontractors, and the environment are appropriately protected.

Subcriterion 1d: Transition Plan (50 points). The offeror's plan for transition of the work and the workforce will be evaluated on the extent to which it will provide for an effective and efficient transition from the beginning of the transition period until assumption of contract responsibilities (not to exceed two months).

Subcriterion 1e: Community Involvement (30 points). The proposal will be evaluated on the degree the offeror demonstrates plans to implement an effective community involvement program.

2. Organization (350 points)

Subcriterion 2a: Management Personnel (200 points). The offeror will be evaluated upon the qualifications, relevant experience, education, and leadership qualities of each of the proposed management personnel (key personnel and other first tier direct reports to the Director (or equivalent)). The ability of the proposed management personnel to work as a team will also be evaluated.

The Director (or equivalent) and other proposed management personnel responsible for operations of the Radiation Emergency Assistance Center/Training Site, Emergency Management Laboratory, and National Security Programs, must possess a DOE "Q" security clearance on the date the contractor assumes responsibility for the contract due to the actual and/or potential classified nature of the activities associated with the aforementioned operations. For this reason, offerors who propose management personnel in the areas stated above who do not have an (1) active DOE "Q" security clearance, (2) inactive DOE "Q" clearance which was investigated or reinvestigated on or after May 1, 1995, and no derogatory information exists which may preclude reactivation of the clearance, or (3) active, equivalent non-DOE clearance (which was granted after a Single Scope Background Investigation) which can serve as the basis for issuing the required DOE "Q" clearance (e.g. through the reciprocity process), shall be evaluated with a weakness in this criterion.

Subcriterion 2b: Organizational Structure (150 points). The proposal will be evaluated upon the extent to which the offeror's organizational elements and staff are organized to effectively and efficiently plan and implement the statement of work and to which lines of authority are established to provide a seamless approach for accomplishing the work. The proposal will also be evaluated on the extent to which the offeror's corporation is committed to supporting this effort.

3. Corporate Experience and Past Performance (100 points)

For purposes of evaluating this criterion, the offeror shall be defined as all members of a joint venture, or teaming arrangement, and if newly formed, shall include parent companies and limited liability members.

Criterion 3: Corporate Experience and Past Performance (100 points). The offeror will be evaluated on its demonstrated relevant corporate experience and past performance which will enable it to successfully perform the statement of work for which it will be responsible. The Past Performance Survey (see Section L, Attachment L-4) will be used to collect information; however, the Government may consider information in other forms and from any source, and may conduct evaluations based on any number of returned Past Performance Surveys. If the offeror has past performance information that is not for similar scope of work, the offeror will be evaluated slightly lower than if the past performance information were for similar services. In the case of an offeror without a record of past performance or for whom information on past performance is not available, the offeror will be evaluated neither favorably nor unfavorably on past performance. The evaluation shall include the past performance of offerors complying with subcontracting plan goals and its consideration for workforce diversity.

The cost criteria is of less importance than the technical evaluation criteria and was not point scored. The cost proposal was compared to the technical proposal for consistency. The cost

information was considered in the overall evaluation to establish reasonableness and appropriateness of cost, cost realism, and evaluated probable cost to the Government.

The RFP indicated that the Government intends to evaluate proposals and award a contract without discussions. Therefore, an offeror's initial proposal should contain the offeror's best terms from a cost or price and technical standpoint. However, the Government reserved the right to conduct discussions if the Contracting Officer later determined them necessary. It was later determined that discussions were necessary in order to obtain the best value for the Government.

DETERMINATION OF COMPETITIVE RANGE

After careful consideration of the SEB's recommendation, review of the initial evaluation report, and discussion with the SEB and ex-officio members of the SEB, I approved the competitive range determination on March 9, 2000. A competitive range was established so that discussions (negotiations) could be conducted as part of this competitive acquisition in order to obtain the best value for the Government. The offeror was included in the competitive range. Discussions began on March 9, 2000, and concluded on April 20, 2000.

ORGANIZATIONAL CONFLICTS OF INTEREST

The Department of Energy Acquisition Regulation (DEAR 909.5) concerning organizational conflicts of interest (OCI) was determined to be applicable to this procurement. The RFP included an OCI clause (DEAR 952.209-72) which was also included in the proposed contract. The RFP also contained the requirement to submit an OCI disclosure (DEAR 952.209-8). The firm selected for award did submit the OCI disclosure statement, and there are procedures in place which appear to be sufficient to mitigate any potential OCI.

FOREIGN OWNERSHIP, CONTROL OR INFLUENCE (FOCI)

DEAR 904.70 concerning foreign ownership, control or influence (FOCI) is applicable to this procurement. The RFP included a FOCI clause (DEAR 952.204-74) which was also included in the proposed contract. The RFP also contained the requirement for offerors to submit a Certificate Pertaining to Foreign Interests. The selected firm met this requirement and the certificate has been forwarded to the ORO Safeguards and Security Division (SSD); a FOCI determination and Facility Clearance will be obtained from the ORO SSD prior to award.

SELECTION

Based on the information contained in the SEB report and the information presented to me on April 21, 2000, I select Oak Ridge Associated Universities, Inc. (ORAU) to manage and direct the programs of the Oak Ridge Institute for Science and Education. ORAU's proposal received a high technical score combined with a fair and reasonable cost to the Government. By having discussions (negotiations) as part of this competitive process, the Government believes it was able to obtain its best value. ORAU's offer provides a sound program and management approach for conducting the programs of ORISE, a strong management team to lead the organization, and demonstrated relevant corporate experience and past performance to enable it to successfully perform the statement of work.

/s/ Edward G. Cumesty

4/21/00

Edward G. Cumesty
Source Selection Official

Date